

# HOUSE BILL REPORT

## HB 2499

---

### As Reported by House Committee On: Health Care

**Title:** An act relating to granting the insurance commissioner the authority to review and approve individual health benefit plan rates.

**Brief Description:** Granting the insurance commissioner the authority to review and approve individual health benefit plan rates.

**Sponsors:** Representatives Schual-Berke, Morrell, Cody, Appleton, Murray and Kagi; by request of Insurance Commissioner.

#### **Brief History:**

##### **Committee Activity:**

Health Care: 1/17/06, 1/31/06 [DP].

#### **Brief Summary of Bill**

- Authorizes the Insurance Commissioner to review and approve individual health benefit plan rates.

---

### HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** Do pass. Signed by 9 members: Representatives Cody, Chair; Campbell, Vice Chair; Morrell, Vice Chair; Appleton, Clibborn, Green, Lantz, Moeller and Schual-Berke.

**Minority Report:** Do not pass. Signed by 5 members: Representatives Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander, Bailey and Condotta.

**Staff:** Dave Knutson (786-7146).

#### **Background:**

Health carriers file a notice of rates for its individual health benefit plans with the Insurance Commissioner (Commissioner) prior to use. The Commissioner is not authorized to disapprove or impede the implementation of the rates filed by health carriers.

---

#### **Summary of Bill:**

The Commissioner is authorized to review and approve individual health benefit plan rate increases. In reviewing rates, the Commissioner is authorized to take into consideration the health carriers' surplus when reviewing requests for a rate increase.

---

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.

**Testimony For:** The individual health care market has seen double-digit increases in recent years. The Commissioner should review and approve rates to protect the public interest.

**Testimony Against:** The individual market is working well. The Commissioner currently approves the loss ratio of each health carrier in the individual market. This is sufficient regulation.

**Persons Testifying:** (In support) Sean Corry, Sprague, Israel, Giles, Inc.; Ruth Shearer, Washington Citizen Action; Robby Stern, Washington State Labor Council; Mike Kreidler, Insurance Commissioner; Bill Daley, Washington Citizen Action; and David West, Center for a Changing Workforce.

(Opposed) Nancy Ellison, Regence; Pam MacEwan, Group Health Cooperative; Darryl Price, Premera Blue Cross; and Mel Sorensen, America's Health Insurance Plans and Washington Association of Health Underwriters.

**Persons Signed In To Testify But Not Testifying:** None.